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# AGRICULTURAL COOPERATION

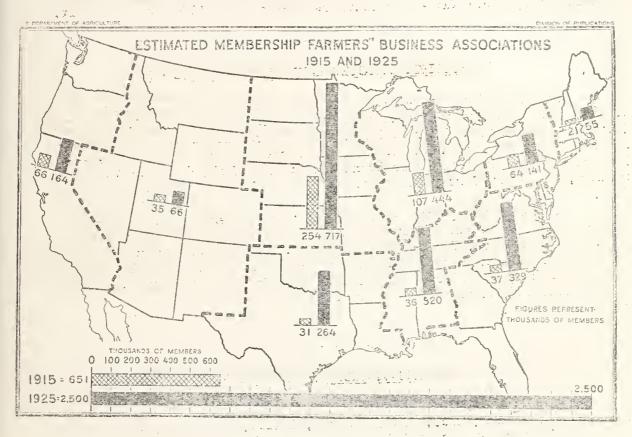
LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE BUREAU OF AGRICUL TRAL ECONOMICS.

UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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MEMBERSHIP INCREASES DURING TEN-YEAR PERIOD



Membership in farmers' cooperative business enterprises increased nearly threefold during the ten years, 1915 to 1925, according to an estimate by the United States Department of Agriculture, made in January of this year.

While the estimate shows a substantial increase in every section of the country, the big increase as measured in number of members took place in the North Central States were many cooperative elevators, creameries, cheese factories, and livestock shipping associations were organized. The big precentage increase was in the South Atlantic and South Central groups of states, these being the states in which the big centralized cotton, tobacco and rice associations were formed.

#### PRUNE MARKETING ASSOCIATION COMPLETING FIVE-YEAR PERIOD

During the first five years of its existence the Washington Growers' Packing Corporation, Vancouver, Wash., received 30,694,968 pounds of fruit, mostly prunes. Sales for the first four crops amounted to \$2,575,851. It is expected that the returns from the 6,845,656 pounds of prunes of the 1924 crop will swell total sales for the five-year period to over \$3,000,000. The organization has a paid-in capital of \$35,658; its packing plant and equipment are valued at \$42,290; and it has \$6,790 in the reserve fund. Its membership under five-year contract represents 3,776 acres of fruit.

## MISSISSIPPI TOMATOES HAVE WIDE DISTRIBUTION

Five hundred seventy-three cars of tomatoes were shipped in 1924 for the truck growers of Mississippi by the Mississippi Farm Bureau Truck Growers' Association, Jackson, Miss. These were distributed to 102 cities in 31 states and Canada, and brought the growers a net sum of \$327,612. One hundred cars went to Pennsylvania, 54 to New York, 47 to Illinois, 42 to Ohio, 41 to New Jersey and 69 to Canada, while one car went as far as Utah.

A small sales agency was created five years ago to aid the local associations in handling their produce and in 1920 shipped 100 cars for them. The next year, 300 cars were handled. The present organization, the Mississippi Farm Bureau Truck Growers' Association, began functioning in 1923 and shipped 800 cars of truck crops. In 1924 it served 35 local associations and handled 1,100 cars of produce, of which there were 573 cars of tomatoes.

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#### BERRY ASSOCIATION COMPLETES EIGHTH YEAR

It is the claim of the management of the Central California Berry Growers' Association, Inc., San Francisco, Calif., that it operates at a cost which does not exceed 1-1/2 per cent of the selling value of the berries which are handled by the association. The strawberries and raspberries sold through the association in 1924 had a total estimated value of \$1,096,000. The charges made against the members for service were just under \$15,000. Charges of truckmen, express companies and commission houses amounted to \$144,600. The growers received \$936,400, or 85 per cent of the selling value.

In the annual report of the association, attention was called to the fact that not a penny was lost in 1924 through bad credits.

The association has completed its eighth season. Its activities are confined to the marketing of strawberries, loganberries, blackberries and raspberries. Much of the fruit is sold to canning factories.

#### CHERRY MARKETING ASSOCIATION REPORTS RIG SAJES

During the last nine years, the volume of business handled by the Door County Fruit Growers! Union, Sturgeon Bay, Wis., has increased nearly twenty fold. The union was formed primarily for the marketing of the sour cherries produced by its 1,00 members.

Its report for 1924 indicated fruits in the following quantities:

Cherries (16	quart	crate)	6H6 0H8	Raspberries (16 quart crate) 44
Strawberries	11 11	[[	18.726	Apples (Bushels)85,334
Currants	ii ff	ll	791	Plums (Small baskets) 400
Gooseberries	11 11	11	287	Plums (Bushels)

The growth of the enterprise since 1916 is indicated below:

Year:		Packages of fruit Number2/: Index		Net Worth	
1918 : 1919 : 1920 : 1921 : 1922 : 1923 :	31,371 104,758 32,792 205,453 188,080 344,695 425,517 238,224 646,048	: 117,174 : 267 : 39,625 : 90	0: 9: 14,881 2: 29,928 5: 37,098 : 49,064 6: 124,475	: 42,275	

1 Sixteen-quart

2/ Sixteen-quart crates of cherries, strawberries, currants, gooseberries, raspberries, baskets of plums and bushels of apples.

3/ Barrels of apples converted into bushels.

Sales of supplies, fruit and the total income of the union for the past six years is given in the following table:

4						
Year	:		Sal	es	:	
		Growers	•	T 4	:	Total Income1/
	:	Supplies		Fruit		Total Income
•	:	•	:		:	
1919	;	\$38,919	:	\$557,882	:	\$607,483
1920	:	77,763	:	551,149	:	<sup>*</sup> 629,299.
1921	:	101,014	:	977,999	:	1,089,201
. 1922	;	140,694	:	896,738	:	1,048,597
1923	:	117,743	:	434,795	:	578,494
1924	:	89,055	:	659,866	¥	.750,004

<sup>1/</sup> Including receipts from supplies, from fruit sales and other income.

#### FLAN FOR REORGANIZATION OF PRACH AND FIG GROWERS

A reorganization committee of 38, elected from all parts of the peach and fig growing area of California, has prepared a plan of reorganization for the growers association marketing dried peaches and figs. It is proposed to create two new corporations. One of these is to be the California Peach and Fig Growers of California, and the other the California Peach and Fig Growers of Delaware. The first organization is to be formed as a membership association under the California cooperative law. The second is to be a capital stock organization formed under the laws of the State of Delaware, to function as a subsidiary, financing and processing the peaches and figs delivered to the California association.

It is proposed that the producing area shall be divided into 33 districts and that the members in each district shall elect an advisory councilman and nominate a grower for the board of directors. The advisory council of 33 growers shall select from the 33 nominees for directors, 11 who shall constitute the board of directors and shall assume active direction of the business of receiving, processing and marketing dried peaches and figs. Provisions have been made for the recall of councilmen and directors in the event of dissatisfaction on the part of grower members.

It is contemplated that both common and preferred stock shall be issued by the Delaware corporation. The former shall be held entirely by the board of directors of the membership association, while the preferred stock, which has no voting power, may be sold to the general public, or be used in acquiring the necessary packing plants.

A new marketing contract, covering the eight years, 1925 to 1932 has been drafted and is being submitted to the nine thousand peach and fig growers. As soon as growers representing 80% of the peach and fig acreage have signed the contract, the actual formation of the new associations will be undertaken.

Among the features of the new contract is a clause providing for the delivery of fruit prior to October 1, and another provision leaving to the board of directors the amount of the advance payment for fruit delivered. Complete final settlement is to be made when all fruit of any given crop is sold and collected for.

Liquidated damages are placed at  $3\phi$  a pound as the organization committee felt that this amount would no more than be sufficient to protect the loyal growers.

The membership association is to be financed by a revolving fund accumulated by deductions from amounts due growers. It is proposed that the fund shall begin to revolve as soon as it reaches \$1,000,000.

#### MILK MARKETING ASSOCIATION CONSIDERED PERMANENT BUSINESS ENTERPRISE

Members of the St. Joseph Milk Producers' Association, St. Joseph, Mo., are being provided with binders for filing the monthly reports sent them by the manager. At the annual meeting of the association, the attorney for the organization stated that he had been connected with most of the cooperative undertakings in the vicinity of St. Joseph, and that most of the enterprises had been more or less successful for a time, but had finally failed. As this undertaking had already lived 2-1/2 years, he considered it a permanent success.

The association on January 20, 1925, had assets amounting to \$23,938. There was outstanding capital stock to the amount of \$11,455. Stock is paid for by the deduction of 10 cents per cwt. of milk handled. Fixed assets, including surplus plant, were valued at \$19,000. Expenses for the period beginning January 6, 1924 and ending January 20, 1925, were \$18,871. Members were furnished at cost with supplies to the value of \$6,309. Total membership of the organization at the close of the business year was 102, of which number, 47 were selling their fluid milk direct to the association.

### CREAMERY PAYS DIVIDENDS EVERY YEAR

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Steady progress since its formation in 1917 is noted by the annual reports of the Cold Spring Creamery Company, Cold Spring, Minn. Increase in the quantities of butter manufactured is noted for each year, and dividends have been paid each year. Operations in 1921 resulted in a loss of \$146. but sufficient funds were available in surplus account to pay a small dividend. The year 1924 brought an almost negligible profit but the sum of \$790 was transferred from the sinking fund to the profit account and used for dividends. The company has a paid-up stock of \$7,950 on which it pays dividends. In 1924 it had 175 patrons. The following figures are taken from the annual reports:

Year	: Butter		Assets:		:	Paid to	:	Expenses	:(	Operatin	g:	Divi-
	: Made	*	:	Sales	•	Patrons				Prolit		oena
	: (Pounds)	:	:		. ;		:	. (				
1918	: 46,276	:	\$16,043:	\$24,806	-	\$22,263		\$2,228	-	\$314		\$
	:134,496				*	71,122	4	5,272	7	550		
1920	:154,916	;	17,208:	89,667	:	82:491	;	7,003		176		
1921	:202,990	. :	17,838:	77,746	, h	70,890	;	7,003		1462/		
1922	:215,271		17.648:	81,163	*	74,052	:	6,710		401	2	461
1923	:250,452	:	14,331:	109,686	-	101,237	:	7,915		544	*	
1924	:297,760	:	15,149:	121,882	*	114.136	*	7,715	:	30	=	<b>7</b> 90

<sup>1/</sup> Corrected by inventory.

<sup>2</sup> Loss.

#### LOCAL CHÉAMERIES COCREBATE TO REDUCE FREIGHT CHARGES

Under the leadership of the Wisconsin Cooperative Creamery Association, Madison, Wis., a plan bas been worked out for consolidating butter from local creameries into carlot shipments. One group of five creameries forwarded 76 carlots from March through December of 1924, with a total saving in transportation charges of \$1,752. This was an average saving of \$23.46 a car load. As the shipments contained 28,582 tubs, the saving per tub was 6.24 cents.

It is reported that there are four other groups of creameries in the same section of the state engaged in collective selling.

#### PTANS FOR A FOREIGN CHEESE FEDERATION IN WISCONSIN

Detailed plans have been worked out for the cooperative marketing of the foreign cheese (Swiss, brick, and Limburger) produced in Wisconsin. It is proposed to federate the cooperative foreign cheese factories into a central selling agency and to create two warehouse holding corporations to own and operate warehouses to serve in the two districts into which the foreign cheese producing section of the state is divided. The cheese produced in each district will be pooled separately, each district having its own freight differential, storage cost, and administrative expense.

The plan further contemplates that the milk producers shall be members of local associations operating cheese factories, and that these farmers shall be under contract, also that the local factories shall be members of the selling agency to be known as the Wisconsin Foreign Cheese Producers' (Cooperative), and shall be under contract to sell all their cheese through the agency. This sales agency is to have capital stock which will be held by the locals and will be increased in amount from year to year by a deduction of two-fifths of one cent a pound on the cheese delivered by the locals.

The warehouse corporations are to have capital stock, both common and preferred, the former to be held by the locals, and the latter to be sold as an investment. It is proposed that the preferred stock be retired in a period of years by funds obtained by a deduction of three-fifths of one cent a pound on all cheese handled.

Only local associations which are incorporated will be included in the federation. The contract between the local and the federation becomes effective when signed by 150 cheese factories, 100 in one district and 50 in the other. The first contract runs until December 31, 1928, and continues thereafter for periods of five years unless cancelled.

#### CHEESE SALES HAVE BEEN INCREASING

In eleven years the sales of the Wisconsin Cheese Producers' Federation, Plymouth, Wis., have increased from less than one million dollars annually to approximately five and one-half million dollars. The quantity of cheese handled has increased more than fourfold; the net worth of this business enterprise has increased from a trifle over five thousand dollars to over seventy thousand dollars. During the eleven-year period, the average yearly price paid for cheese has varied from 13.96 cents a pound in 1914 to 30.10 cents in 1919, as will be noted by the figures below:

			•					
_	Year	: -	Cents	- : 3	. Year	•	Cents	
	, 4		-	:		_ :		
	1914		13.96		1920	:	25.71	
	1915	:	14.70	<u>.</u>	1921	:	18.02	
	1916	:	17.13	:	1922	:	19.23	
	1917	:	23.53		1923	:	22.62	
	1918	:	26.24	:	1924	:	18.36	7.4
	1919	:	30.10	:		:		

The increase in volume of business as measured by pounds of cheese sold and by total sales for the eleven years is indicated by the figures in the following table as are also the assets at the close of each business year. The ratio obtained by dividing total sales by assets indicates the number of times each dollar of capital was revolved during the various years:

	:	Cheese Sc	10	1	;	-	:	Asse			: Capital
Year	:	Pounds	:	Index	:	·Sales	:	Amount	:	Index	:Turnover
	:		:		:	*	:		:	*	:
1914	:	6,108,450	:	100	:	:\$873,618	:	\$22,449	. :	100	: 38.9
1915	:	7,509,692	:	123	:	1,132,867	:	52,334	:	233	: 21.6
1916	:	7,426,588		122	:	1,304,640	:	75,689	:	337	: 17.2
1917	:	9,015,317	:	148	:	2,171,526	:	104,221	:	464	: 20.8
1918	:	8,585,438	:	141	:	2,322,536	:	129,969	:	579	: ***17.9
1919	:	13,980,829	:	229		4,306,599		234,533		1,045	: 18.4
1920	:	13,906,685	•	228	:	3,686,130		290,696		L,295	: 12.7
1921	:	14,939,917	:	245		2,794,964	:	402,110	: ]	1,791	: 7.0
1922		() ( - (-		305		3,790,219	:	550,142	: 6	2,451	: . 6.9
1923		23,912,478		39i	:	5,577,180	:	806,410		3,592	: 6.9
1924		28,496,198		467	:	5,475,677		576,538		2,568	9.5

In addition to cheese sales, factory supplies were handled by the federation to the value of \$95,559, also 1,207,635 pounds of cream, the commissions from the cream amounting to \$13,273.

Of each dollar received by the federation during the past 11 years, 96.92 cents has gone to the local cheese factories, 2.54 cents has been used to meet handling expense and less than one cent for other expenses.

The federation is a sales agency for 200 producer-owned and producer-controlled local cheese factories.

#### MINNEAPOLIS COOPERATIVE SERVES THIRTY THOUSAND HOMES

Every one of the 6,000 shareholders of the Franklin Cooperative Creamery Association, Minmapolis, Minn., is being urged to secure one new customer for 1925. It is announced that if the shareholders are successful, the total sales will pass the four million dollar mark,

Annual sales since the association began operating on March 24.

1921, have been as follows:

Sales 844,063		Index Number	:	Units Sold 1
	:		:	Units Sold -/
g)1)1 067	:	200	• :	
8)111.063	. •	3.00		
044.00		100	1.	
1,670,693	:	198	:	
	:	368	:	24,200,700
	ັ;	391	: .	26,500,110
		1,670,693 : 3,106,991 :	1,670,693 : 198 3,106,991 : 368	1,670,693 : 198 : 3,106,991 : 368 :

One bottle of milk, cream or buttermilk; one pound of butter, package of cheese or gallon of ice cream. 2/ Nine months.

Fluid milk was the most important product sold. Returns from this product constituted over 57% of the total receipts from sales, as will be noted by the following figures for 1922 and 1924:

		:	1922	: 1924
		: (1	Per cent)	: (Per cent)
Fluid milk	e terminal and a second	- withing -	-61.0	57.2
Butter-	5	: .	19.6	18.5
Cream		a lager	-16.8-	15.5
Ice cream		<b>:</b> -		: 5.6
Certified milk		:	<u> ,</u> †	<b>:</b> 4.75
Other products			2.2	2.8
Total	•		100,00	: 100.00
	•	1.3	• •	

Net profits for the year were \$121,783. On December 31, outstanding capital stock amounted to \$998,000 and net worth to \$1,141,706. There had been issued first mortgage bonds drawing 5-1/2 % interest in the sum of \$350,000. The physical property of the association had a depreciated value of \$1,221,852.

At the close of the business year, the number of shareholders was in excess of 6,000 and the number of employees in excess of 400. Thirty thousand homes are served with milk. During the year, the association established its own wagon and paint shops, garage, horseshoeing shop and harness shop. It estimates that it can make its milk wagons at a saving of nearly \$90 a wagon.

A cooperative training school was held for the second time in the fall of 1924. Courses were given that extended over six weeks. It was decided during the year to establish an educational department within the association, a director being employed to take charge of the work. Recently plans were developed for a nutrition clinic to serve 100,000 children.

#### CALIFORNIA POULTRY PRODUCERS GET PATRONAGE DIVIDEND

At the close of 1924, \$307,832 was available for distribution among the members of the Poultry Producers of Central California, San Francisco. This amount represents the extent to which salesmanship and efficient management surpassed expectations as represented in estimates made at the time eggs were received and a payment made on account. Of the funds available for distribution, \$145,760 was derived from the storage accounts, \$102,892 from the eastern shipping accounts and \$59,179 from the operating and supply accounts.

Receipts from sales for 1924 were over one-half million dollars ahead of those for 1923, although a smaller number of eggs were handled. In 1923, 631,021 cases of eggs sold for \$5,900,000 and in 1924, 627,477 cases of eggs brought into the association, \$6,425,000.

During the year the plant equipment available for handling eggs was increased by a new packing plant at Modesto, a new receiving station at Stockton, a new packing and distributing plant at Sacramento, and a new packing plant at Santa Cruz. A new brick warehouse was under construction at Sacramento at the close of the year. A sanitary egg breaking department was established at the San Francisco pakeing plant; an egg dryer was developed and installed and new processing machines developed. A start was made toward the development of an improved washing machine.

This group of poultry producers organized for collective activity in October of 1916 and the association began functioning in January of the following year. Originally the association was organized with capital stock, but late in 1923 it was reorganized on a membership basis and began operating as a membership association with the beginning of the year 1924. The members now hold membership certificates and advance fund certificates instead of shares of capital stock.

The growth of the enterprise has been as follows:

	<u>:</u>					
	;	Stockholders	:		:	
Year	:	or ,	:	Cases of	:	
	:	Members 1	:_	Eggs handled		Gross Sales
	:		:		:	
1917	:		:	213,532	:	\$2,382,444
1918	:	1,000	:	270,313	:	3,712,523
1919	;	1,201	:	315,251	:	4,680,065
1920	:	2,193	:	460,303	:	6,939,542
1931	4	2,839	:	662,598	:	6,905,802
1932	:	3,159	:	618,475	:	5,730,000
1923	:		:	631,021	:	5,900,000
1924	;	2,219	:	627,477	:	6,425,000

<sup>1/</sup> Stockholders. 1917-1923; members, 1924.

At present the poultrymen who are members of the organization and use its marketing facilities are grouped into six districts surrounding San Francisco. In each district, separate receiving stations and packing houses are operated. Selling policies, however, are worked out in the San Francisco office. These policies include the solling of a larger percentage of the eggs to retail distributors in San Francisco and Oakland, and a constantly diminishing percentage to the wholesalers and jebbers. The degree to which this policy is being realized is indicated by the percentages shown in the table below:

			_					
	:		:		:		:	
	;	1911	:	1922	-	1933	:	1924
	,:1	(Per cent)	*	(Per cent	):	(Per: cent		
San Francisco and Oakland retail 1/	:	11.05	:	13.59	:	19.37	:	24,88
Sales to wholesalers and jobbers			:	30,44	:	23,36	:	13.03
Eggs shipped, stored, and storage	:		:		:		:	
packed2/	:	50,18	:	55。9 <b>7</b>	:	57.27	•	62.09
	:		:		;		:	
Total		100.00		100,00		100.00		100.00

<sup>1/</sup> Sales to groce ies, bakeries, restaurants, hotels, hospitals, etc.
2/ Represents eggs taken off the local market or stored for use during the period of low production.

(Also see Agricultural Cooperation for September 8, 1924, p. 301)

An inventory of the customers being served from the San Francisco packing plant at the close of the year gave the following: grocery stores, 400; restaurants, 150; bakeries, 50; creameries, 40; hotels, 10; hospitals, 5. A total of over 700 business places were being regularly supplied with eggs.

Among the new ideas tried out in 1924 was that of district weekly pools. In commenting upon these, the general manager says in his annual report, "Members have received in their weekly pool checks, the full wholesale market value of their eggs at time of delivery after all estimated costs had been deducted."

Late in 1923 the Poultry Producers: Packing and Warehousing Association was created as a subsidiary, and membership on the San Francisco Wholesale Dairy Produce Exchange was transferred to it.

Not including the \$307,832 available for distribution, the net worth of the association on December 31 was \$436,499. This latter figure included advance funds amounting to \$403,392; membership certificates, \$21,585; and reserves, \$11,522.

Advance-fund certificates are issued to cover a deduction of  $1\phi$  a dozen on all eggs handled. These certificates tear 6% interest and are payable whenever outstanding certificates amount to more than 5400,000. Gross sales for 1934 were 5.8 times the assets at the close of the year.

#### . TWO ASSOCIATIONS SERVE SAN DIEGO EGG PRODUCERS

Two organizations at San Diego, Calif., are serving the poultry producers of the contiguous territory. The San Diego Poultry Association, Inc., functions in the purchase of supplies. This company has outstanding capital stock amounting to nearly \$70,000. Its net worth on December 31 was \$120,951: Sales for the preceding year were \$662,482. Income exceeded expenses by \$41,126. Net sales were 3.6 times the assets of the association. Available figures for the last three years are given below:

	S	<u> </u>	August 1 and 10 and	1 No. 1 10
*	•	:	•	: Excess in-
Year :	Net Sales:	Gross :	Expense	: come over
1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Income :	,	: Expense
. 1923 :	ಫ598 <b>,</b> 459 :	\$78,930 :	\$46,762	: \$32,167
1923 :	698,396:	87,044 :	51,832	: 35,212
1934 :	663,482 :	88,754 :	47,627	: 41,126
	er i			

Poultry Producers of San Diego, Inc., is the name of a grower-owned and controlled association handling eggs. This organization has outstanding capital stock in excess of \$70,000, and assets in excess of \$94,000. Egg sales for 1924 amounted to \$800,536, which amount was 8.4 times the assets of the association. Producers receive approximately 93% of the price for which the eggs are sold, as will be noted by the figures below:

	-							
Year	:	Egg		Returns to				
		Sales	:		. :	Per cent	:Ha	ndling
	:			Amount				
			:			4.	: (	Cents)
1933	•	\$766,459		\$708,583	: .	92	:	1.4
1923	•,	936,928	*	871,473	:	93	:	1.73
1934		800,636	0.	743,053		. 93	<b>.</b>	

Because of an excess of income over expense in 1924, there is 911,642 which is to be distributed among the producers on the basis of number of eggs delivered to the association. This patronage dividend will amount to about 1/2 cent a dozen.

The association was organized in 1917 and in 1924 had a membership of 700.

#### ANOTHER DISTRIBUTION GOES TO LOUISIANA COTTON GROVERS

Members of the Louisiana Farm Bureau Cotton Association, Shreveport, La., received another distribution of \$453,000 in February, on cotton which had been classed prior to February 6. This payment brings the advances so far to 20¢ per pound, basis middling.

The directors of the association are sponsoring plans for the establishment of the Louisiana Credit Corporation.

### COTTON MARKETED COOPERATIVELY IN NEW MEXICO

In the annual report of the Agent in Marketing for New Mexico, for 1924, the story of the beginnings of cooperative marketing of cotton in that state is given. In 1923 a cotton classer was employed by the Dona Ana County Farm Bureau, to serve the cotton growers of the county. As the results of this venture were satisfactory, the work of classing cotton was continued for the season of 1924. After it was classed the cotton was sold through the farm bureau which functioned in the capacity of a selling agent. Usually the cotton was assembled in lots of 50 to 100 bales of uniform grade and staple and sold to the highest bidder.

As a direct result of the Dona Ana County experiment and a series of meetings, the Pecos Valley Cotton Growers' Association was organized by Chaves County growers, with headquarters at Roswell. It is stated that arrangements were made with a local bank by which growers could be paid for their cotton immediately following sale. The by-laws of the new association permit any member to sell his cotton outside the association if he cares to, but the same charge is made as though the association sold the cotton. As the gin tickets are collected daily by the association, and as the grower must have the ticket if he wishes to sell individually, the association is in a position to collect its charges which are \$1.50 a bale.

Recent advices from the manager of the Pecos Valley Cotton Growers' Association state that the 1924 production for the territory served is about 10,000 bales, of which the association is handling about 7,000. The season has been a successful one and the association expects to close its business year with a \$2,500 surplus. A good membership is already assured for the 1925 season and growers from adjoining counties are seeking admission.

The manager's letter enumerates some of the outstanding features of the association, among which are the following:

Any cotton farmer may become a member. There is no membership fee. A member may resign at any time. Our cotton comes from six gins in this county. Cotton is sold only when ordered by owner, and when sold is absolutely on the U.S. Government standards for grade and staple. A member may sell his cotton himself by authorizing buyer to come to Roswell office for settlement.

#### MILLIONS OF DOLLARS FOR COTTON GROVERS

Late reports from the cotton associations of Texas and Georgia indicate that more than seven million dollars will be distributed among the members of the two associations this month. Plans have been completed by the Texas Farm Bureau Cotton Association, Dallas, Texas, for the distribution of \$5,750,000 on March 25. This amount brings the total distribution to members on 1924 cotton up to #27,951,000.

Before the end of the month the Georgia Cotton Growers' Cooperative Association, Atlanta, Ga., will have mailed checks approximating \$2,000,000 to its members.

# TWO NEW FEATURES FOR STAPLE COTTON CONTRACT

Two new features are to be introduced into the contract soon to be entered into between the Staple Cotton Cooperative Association, Greenwood, Miss., and the grower members. After the signing of the revised contract a member will have the right to withdraw at a specified time in any year by giving proper notice of his intention. Another new clause will give the member the right to request the immediate sale of the cotton delivered by him.

It is stated by the management that the sole purpose of this proposed feature is to permit a prompt liquidation of the crops of those members whose business requirements may demand such a policy, and at the same time give them the benefit of the sales service of the association.

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#### MORE COTTON DELIVERED IN TEXAS THAN LAST SEASON

Receipts of cotton by the Texas Farm Bureau Cotton Association, Dallas, Texas, on February 20, totaled 283,425 bales, a gain of 101,107 bales over deliveries of the 1923 crop. Small quantities are still being received.

Issuance of information regarding weight and grade is now up to date and is going out to members as rapidly as the cotton is received at Houston and the information is reported at headquarters. The association has been able this season to send this information seven weeks earlier than last year.

Fire losses claimed on 461 bales have practically all been adjusted and the proceeds applied to the pools.

Claims have been filed against Texas railroads for \$6,741 over-charges in freight. As there are still a large number of freight bills to be checked, it is expected that this figure will be materially increased. Claims are being filed as rapidly as errors are discovered.

#### A DATE SET FOR CLOSING NEBRASKA WHEAT POOL

April 1 has been set as the latest date on which members of the Nebraska Wheat Growers' Association, Hastings, Nebr., may deliver wheat for inclusion in the 1924 pool. All wheat received subsequent to that date will be included in the 1925 pool, according to a recent decision by the executive committee of the association.

The purpose of a closing date is to give the management of the organization sufficient time to move to market and sell all grain intended for the 1924 pool before the close of the business year.

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#### SECOND ADVANCE MADE ON NORTH DAKOTA WHEAT

A second advance to members of the North Dakota Wheat Growers' Association, Grand Forks, N. D., made in February, totaled \$750,000 and brought the price to \$1.15 for No. 1, dark northern, spring wheat, This is said to be as much as many of the members could have received at the time they put their wheat in the pool.

Approximately 3,750,000 bushels of wheat had been delivered to the association on January first. On account of financial conditions in the state a great many members were forced to sell their wheat outside of the association.

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#### LOCAL UNITS BEING CREATED BY WHEAT ASSOCIATION

Local units to handle matters of purely local importance are being organized by the Colorado Wheat Growers' Association, Denver, Colo. Already eight of these locals have been organized in the northern part of the state, and others will be organized as rapidly as the members at receiving points for grain are ready to take over local responsibilities. It is the plan of the board of directors to set up local associations at all points where it is believed they can function to advantage for members of the association.

The plan of organization provides that each local shall have its own governing board of not more than five members, and that the board shall have supervision over questions involving elevator handling of grain, loading, weights and tests, and dockage. It is expected that each local board will employ an agent to carry out its policies. These boards are to be financed by an allotment from the central office of one cent a bushel on all grain handled by the local.

#### THE COOPERATIVE MOVEMENT IN MORWAY

It is stated in a booklet published recently by the National Morwegian Cooperative Society, Christiania, that the germ of the cooperative movement in Morway came from England in the sixties of the last century. "A large number of small distributing societies were formed throughout the country, but they had no common leadership, and no special individual can be fixed upon as the outstanding spokesman of the movement. The societies quickly increased in number and strength and the movement culminated in the seventies, after which it slowly declined. Some of these societies still survive but they are isolated and have no understanding of the modern age and its ideas." It is recorded that the reason for the failure of the movement to become permanent was a lack of "Imowledge regarding the fundamentals of cooperation." The causes of failure are given as a lack of leadership, lack of unity of purpose and "the excessive granting of credit."

The present cooperative movement had its beginning in the nineties. It started under the leadership of O. Dehli, an attorney who had been to England and studied the movement in that country. On his initiative the Christiania Cooperative Society was founded in 1894 along the lines developed by the Rochdale pioneers. Mr. Dehli "became an ideal pioneer." He founded Kooperatoeren (Cooperative Journal), published books and held many meetings. In 1906 a national society was formed which set itself the task of becoming the radiating center for propaganda, and undertook the work of promoting educational work and watching legislation.

Soon after the founding of the national society the problem of regulating prices for the local societies by means of collective purchases and the collective production of goods was given consideration. Wholesale activities were commenced by the Norwegian National Cooperative Society in 1907. Because of boycotts conducted by traders, the society found it desirable to join the Danish Cooperative Wholesale Society, in

order to insure a supply of goods.

In 1911 the Norwegian wholesale society passed the one million mark in kroner as regards amount of business; that year also witnessed the entry of the society into the manufacturing business. A factory for the manufacture of margarine was established. "A banking branch was also founded to receive members' savings and provide more capital for the movement." In 1914 a tobacco factory was started; in 1916 a coffee roasting establishment; in 1920 a printing plant; and in 1923 a soap factory was built. In 1921 an insurance society was established to take over all insurance for the affiliated societies. In 1923 there were 5,800 policies outstanding. While at first the wholesale society handled only groceries, in 1915 shoes were added, in 1920 soft goods, and in 1921 a branch for handling farm produce.

When the booklet mentioned above was published in 1924, the national wholesale society was operating five branches and more than 200 officials and employees were participating in the management of the enterprise. At the time two periodicals were being published, also an

almanac and numerous pamphlets.

The figures below indicate the growth of the Norvegian National Cooperative Tholesale Society from 1907 through 1923:

	:	Number	:	Mumber	:	Amount	:		:			
Year	:	OŢ	:	01.	;	of	:	Net	: Capit		tal	
	:	Societies	:	Liembers	:	Business	;	Income	;	Deposits	:	Reserve
	•		:		:	(Kroner)	:	(Kroner)	:	(Kroner)	:	(Kroner)
1907	;		•		:	182,000	:	2,000	:	18,000	•	
1908	:	41	:	9,000	;	615,000	:	4,000	÷	23,000	;	1,000
1909	*	57	:	12,000	:	643,000		9,000	:	30,000	:	4,000
1910	:	66	:	15,000	:	958,000	:	19,000	:	37,000	:	12,000
1911	;	77	I	19,000	:	1,233,000	:	30,000	:	49,000	:	.24,000
1912	:	112		24,000	;	1,954,000	:	30,000	:	58,000	;	40,000
1913	:	136	:	30,000	:	2,437,000	:	27,000	;	77,000	:	51,000
1914	:	149	:	32,000	:	3,097,000	:	54,000	:	90,000	:	66,000
1915	:	172	:	36,000	;	4,457,000	:	91,000	:	116,000	:	96,000
1916	:	205	:	47,000	:	6,021,000	:	142,000	:	149,000	:	138,000
1917	:	237	- ,	60,000	•	8,332,000	:	414,000	:	203,000	:	288,000
1918	:	233	:	60,000	*	5,917,000	:	149,000	:	311,000	:	410,000
1919	;	295	:	70,984	:	12,063,000	;	361,000	:	404,000	:	563,000
1920	:	401	:	88,346	•	18,076,000	•	147,000	:	564,000	:	495,000
1921	:	404	:	93,737	:	20;966,000	:	•	:	623,000	:	498,000
1922	:	411	:	93,202	:	20,745,000		*	:	•	:	498,000
1923	:	416	:	•	:	23,954,000	:	500,000		802,000		626,000

The local societies in 1923, were handling considerable business in addition to that represented by orders placed with the wholesale society. The total amount of business transacted yearly since 1910 is reported as follows:

Year	:	Amount of busine	ss:	Year	;	Amount of business
	:	(Kroner)	:		:	(Kroner)
1910	:	5,205,000	:	1917	:	39,866,000
1911	:	5,934,000	:	1918	:	48,139,000
1912	:	7,402,000	:	1919	:	71,215,000
1913	:	8,974,000	:	1920	;	112,874,000
1914	:	10,019,000	;	1921	:	115,567,000
1915	:	16,252,000	:	1922	:	105,365,000
1916	:	24,347,000	:	1923	:	108,971,000

These societies operate "90 processing and manufacturing enterprises, including 66 bakeries, 16 slaughter houses, 2 sausage factories, 2 boot repairing establishments, a knitting factory, a flour mill, a margarine factory, a coffee roasting establishment and a tannery." More than 1,700 persons are given employment, over 700 of whom are women. An agreement with trade unions prevents strikes in the cooperative factories. This agreement provides for a permanent joint committee to which differences must be referred. During the ten years that the plan has been in operation, many strikes have been averted.

#### ANOPHER HALF-MILLION FOR WISCONSIN TOPACCO

Another \$500,000 was distributed to members of the Northern Wisconsin Cooperative Tobacco Pool, Madison, Wis., early in February. This payment was on the 1923 crop and covered all sorting grades of tobacco, and certain stemming grades. Advances range from 1-1/2 cents to 4 cents per pound, according to type and grade. This brings payments on the 1923 crop to about \$2,000,000. The 1923 crop was injured by frost and consequently was extremely difficult to handle.

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#### VERMONT MAPLE PRODUCERS REPORT A PROFIT

A net profit of \$1,417 is reported by the Vermont Maple Products Cooperative Exchange, Essex Junction, Vt., for the year ending December 31, 1924. Sales for the year amounted to \$81,744 and expenses to \$35,267. The larger items among the expenses were: factory labor, \$6,590; cases and containers, \$6.270; freight, \$3,379; office salaries, \$3,291; traveling expenses, \$1,304; light, heat and power, \$1,260.

The exchange, which is a federation of eight local associations of producers of maple syrup and sugar, began business on March 1, 1922, and in its first year handled 14,478 gallons of syrup. (See Agricultural

Cooperation, Jan. 29, 1923, p. 6; Feb. 11, 1924, p. 44.)

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#### NEW YORK MAPLE PRODUCERS ADOPT NEW PLAN

Members of the Maple Producers' Cooperative Association, Inc., Syracuse, N. Y., are no longer to be held to their marketing contract, although the existing centract does not expire until December 31, 1926.  $\Lambda$  decision to this effect was reached at the annual meeting of the membership held at Potedam, St. Lawrence County, February 13, 1925. Another matter disposed of at this time by the 25 members attending the meeting, was the adoption of a plan for continuing the organization. The plan contemplates the removal of the processing plant from Syracuse to a point where the business can be handled with a minimum of overhead expense; the concentration of effort upon the selling of the blended syrup which has been developed; and sufficient support from the membership to supply the maple syrup needed to produce the blended article.

Figures compiled by the management of the association indicated that while the association has not handled as great a quantity of maple products as was expected, it has been a factor in raising the price level for syrup for all producers in the territory over which the association

has been operating.

It is announced that local meetings for discussing the new plan will be held in the syrup producing sections of New York state.

#### PECAN EXCHANGE PAYS MEMBERS PROMPTLY

A large carry-over of pecans of the 1923 crop was disposed of at good prices early in the season by the National Pecan Growers' Exchange, Albany, Ga., and settlement made in full with members before Christmas. Pecans of the 1924 crop are practically all sold and members were paid approximately 50% of the money due them within about 60 days after harvest began. This, the management believes, is a creditable record for any cooperative marketing association.

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#### ASSOCIATION HAS BROOMCORN STORED IN CENTRAL MARKETS

On January 31, 1925, the Broomcorn Growers' Cooperative Association, Oklahoma City, Okla., had 33,911 bales (10,166,919 pounds) of broomcorn in storage. Of the total amount, 16,446 bales contained broomcorn of the 1923 crop and 17,465 bales, broomcorn of the 1924 crop. Trial balances of January 31 for the two crops showed pool sales in connection with the 1923 crop amounting to \$1,331,679 and pool sales in connection with the 1924 crop of \$399,951. Operating expenses in connection with the two crops were given as \$201,209 for the 1923 crop and \$98,598 for the 1924 crop.

At the meeting of the board of directors of the association held in February, economies were instituted which it is predicted, will save the organization over \$1,100 a month.

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#### PEAMUT ASSOCIATION TO SELL SEED TO MEMBERS

At the request of members and nonmembers, the Georgia Peanut Growers' Cooperative Association, Albany, Ca., will again sell seed peanuts. However, it has been decided to sell under a somewhat different plan this year. All sales will be for cash, on account of difficulties encountered last year, and orders for out-of-town shipments must be accompanied by cashiers' checks. It has also been decided to sell all the shelled or recleaned seed direct from Albany, instead of distributing it through local warehouses. The extra freight will about offset the extra warehouse charges, and certain savings will be effected by the plan.

In addition to this recleaned stock, the association has a quantity of selected farmers' seed stock, not recleaned, in a few warehouses scattered throughout the district. This seed may be bought direct from the warehouses or ordered from the association to be shipped from the nearest warehouse. Another type of seed is No. 1 farmers' stock which was not selected for seed but is believed to be of good quality. Lists of warehouses handling each of these two types of peanut seed are published in the Georgia Peanut Grower for the benefit of members of the association.

#### MICHIGAN LAUNCHES AN EDUCATIONAL PROGRAM

A comprehensive program for spreading the cooperative movement throughout the State of Michigan has been prepared by the Michigan Agricultural College. This program was announced on February 24, before a conference of officials of the college and officers, directors and members of the big commodity marketing exchanges of the state.

Both investigational and educational work will be undertaken. The former line will include a thorough investigation of market demands and possibilities; a study of production economics; a study of the potato, milk, livestock, and other commodity marketing problems; and the types of farm organization for special purposes. Provision will also be made for training young men for positions as managers and assistant managers of cooperative associations. Plans further include the spreading of the true principles of cooperation through the extension system, the county agricultural agent, the boys and girls' clubs, the institutes, the farmers' clubs, granges, local farm bureaus, and the like.

The program as presented to the conference was unanimously accepted and representatives of farm organizations pledged their support in helping to carry out the plans.

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#### CREDIT CORPORATION HELPS NORTH CAROLINA FARMERS

In its first year of operation, 1924, the North Carolina Agricultural Credit Corporation, Raleigh, N. C., secured production loans amounting to approximately \$1,100,000 for 1,500 North Carolina farmers, through the Intermediate Credit Bank. According to a survey made recently by the North Carolina State College of Agriculture, these farmers saved thousands of dollars because of their ability to secure loans at reasonable rates of interest.

The survey referred to, covered an average rural community and included 500 families. Some of these farmers financed their own cropping operations, some borrowed money from banks at regular rates, and others were obliged to use the ordinary method of buying their supplies through time merchants. Recently published statistics covering 54 North Carolina counties show that the farmers in those counties borrow a large percentage of the total value of their crops in order to produce them. The Agricultural Credit Corporation granted loans last year at a rate of 7% per annum, and this year the rate will be 6-1/2 per cent.

In 1924 those who availed themselves of the services of the corporation were largely the cotton and tobacco growers. This year the truck growers in Eastern Carolina and in Western Carolina, and the peach growers in the Sandhill section will also be served.

Sixty banks and 500 individual growers are stockholders in the corporation and applications for stock are being received daily. Twenty new credit groups have been organized lately and more are in process of organization. The minimum number in these groups is 10 and the largest group has 36 members.

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